S T A T E O F N E W Y O R K

7991

2011-2012 Regular Sessions

I N A S S E M B L Y

May 25, 2011

Introduced by M. of A. ABBATE -- read once and referred to the Committee on Governmental Employees

AN ACT to amend chapter 171 of the laws of 2010 amending the retirement and social security law and other laws relating to establishing the New York state MWBE asset management and financial institution strategy and the retirement and social security law, in relation to the New York state deferred compensation plan's role in the New York state MWBE asset management and financial institution strategy; and to repeal certain provisions of the state finance law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 1 of section 2 of chapter 171 of the laws of 2010, amending the retirement and social security law and other laws relating to establishing the New York state MWBE asset management and financial institution strategy, is amended to read as follows:

1. The New York state MWBE asset management and financial institution strategy is hereby established to codify and replicate, across certain fiduciary-controlled entities established by New York state law, best practices with respect to the inclusion of minority and women-owned business enterprises that are asset managers, investment banks, and financial and professional service firms in the opportunity to provide services to such fiduciary-controlled entities -- the New York state common retirement fund, New York state teachers' retirement system[,] AND the New York insurance fund[, and the New York state deferred compensation plan]. Certain fiduciary-controlled entities have recently adopted emerging manager programs to increase opportunities for firms that include small, disadvantaged or minority and women-owned business enterprises. These programs and similar programs in other states have shown that there is a growing pool of minority and women-owned asset managers, investment banks and financial and professional services firms that are qualified to provide investment management, investment banking,

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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underwriting and other financial and professional services to such fiduciary-controlled entities. The intent of this act is to institutionalize access to opportunities for MWBE firms in such fiduciary-controlled entities that use such services, to create reasonable objectives for conducting business with such firms, and to facilitate transparency by creating a regime of public reporting about the use of such firms for such services. Nothing in this act shall be deemed to preempt or affect in any way existing laws or fiduciary obligations of the trustees, plan sponsors, fiduciaries, board members or executive officers of any of such fiduciary-controlled entities, to create quotas or other unlawful preferences, or to diminish the ability of any entity covered by this act to make independent decisions consistent with best practices for procuring the services covered hereby.

S 2. Subdivision 8 of section 176 of the retirement and social security law, as added by chapter 171 of the laws of 2010, is amended to read as follows:

8. The term "fiduciary-controlled entities" shall mean the common retirement fund, state teachers retirement fund[,] AND state insurance fund [and state deferred compensation plan].

S 3. Paragraphs c and d of subdivision 2 of section 5 of the state finance law are REPEALED and paragraphs e, f, g and h are relettered paragraphs c, d, e and f.

S 4. This act shall take effect immediately.